PEDMEDE

FIEC Statistical Report 2026

Member of:

EUROPEAN CONSTRUCTION INDUSTRY FEDERATION | EUROPEAN INTERNATIONAL CONTRACTORS | INDUSTRY FEDERATION SINCE 1970 | EDA EUROPEAN DEMOLITION ASSOCIATION | EDI European Decontamination Institute | ACRP European Association for Construction Repair, reinforcement and Protection

Contents

1. OVERALL CONSTRUCTION ACTIVITY 2
2. HOUSEBUILDING 2
3. NON-RESIDENTIAL CONSTRUCTION & CIVIL ENGINEERING 4
4. PRICES OF CONSTRUCTION MATERIALS 4
5. CONSTRUCTION ACTIVITY 6

1. Overall construction activity

In 2025, the construction sector confirms a strong expansion within a favourable macroeconomic environment. GDP at current prices reaches EUR 248.35 billion (from EUR 236.74 billion in 2024), while real GDP stands at EUR 204.44 billion, reflecting sustained output growth in real terms. The share of construction investment in GDP increases to approximately 7.3% (EUR 18.07 billion out of EUR 248.35 billion), signalling a gradual strengthening of the sector's macroeconomic footprint and partial closure of the historical investment gap.

Gross value added in construction rises significantly to EUR 5.27 billion, from EUR 4.57 billion in 2024, corresponding to a double-digit expansion (+15.3%), indicating that growth is not only price-driven but also volume-based. This is further supported by the evolution of gross fixed capital formation, which increases from EUR 15.50 billion in 2024 to EUR 18.07 billion in 2025 (+16.6%), while in constant prices it reaches EUR 15.12 billion (from EUR 13.29 billion), confirming sustained real activity expansion.

From a labour market perspective, total employment reaches 4.34 million persons, while employment in construction increases to 707,628 persons. At the same time, unemployment declines to 421,965 persons, reinforcing the view that construction acts as a labour-absorbing sector during the current expansion phase.

The combination of rising investment (+16.6%), increasing real value added (+15.3%) and expanding employment suggests a synchronized expansion across output, capital formation and labour demand. However, the simultaneous tightening of labour availability indicates emerging capacity constraints, particularly in skilled construction labour.

For 2026, based on leading indicators and investment momentum, construction activity is expected to continue expanding, although at a moderating pace. The investment-to-GDP ratio is expected to remain elevated, while growth is likely to shift from cyclical acceleration to a more stabilised expansion phase, reflecting maturing investment dynamics and emerging supply-side constraints. The new uncertainties arising from the war in the Middle East—adding to existing global geopolitical tensions and shifting political balances—may impact investment interest and developments in the construction industry in general. The footprint of this global turmoil on construction costs, demand, and investment activity within the Greek construction industry will depend on the duration and escalation of these events.

2. Housebuilding

In 2025, housebuilding records a strong increase in investment, with residential construction rising to EUR 7.61 billion from EUR 6.07 billion in 2024 (+25.4%). In real terms, residential investment reaches EUR 6.36 billion (from EUR 5.19 billion), confirming robust expansion in actual construction activity rather than purely nominal price effects.

At the same time, building permits decline significantly to 9,790 units from 11,599 units in 2024 (-15.6%). Within this total, single dwellings decline to 4,091 units (from 4,272), while collective dwellings fall more sharply to 5,699 units (from 7,327, -22.2%). This divergence between rising investment and declining permits reflects a structural mismatch between current construction execution and the formation of new project pipelines. The interpretation is that residential activity in 2025 is driven primarily by projects already in the pipeline, with a lagged transmission from earlier permit issuance, while new approvals are contracting. This suggests a structural lag between investment execution and pipeline renewal, implying that current output growth is not fully supported by forward-looking supply expansion.

From a structural perspective, the continued dominance of collective dwellings indicates a shift toward higher-density, capital-intensive urban projects, reflecting both demand-side pressure and land-use constraints in major urban centres.

The real estate market continued to attract investment interest in 2025, from both domestic and foreign investors, although at a more moderate pace compared with previous years. Investment interest was observed across all property segments, while demand continued to exceed the supply of properties meeting modern standards.

The residential property market maintained its positive momentum, with house price indices recording further increases, albeit at a slower pace compared with the previous year. This development was primarily driven by strong demand for residential properties, a persistent shortage of modern and affordable housing stock, sustained investor interest, and the implementation of the subsidised housing programme “Spiti mou II”.

Investment in residential construction increased significantly in 2025, while the total construction cost of new residential buildings continued to rise, albeit at a more moderate rate. In the commercial real estate segment, prices continued their upward trajectory, although growth showed signs of deceleration compared with the previous period. Investment activity was concentrated in commercial property segments linked to tourism and hospitality, logistics and warehousing, as well as high-quality office space.

For 2026, residential investment is expected to remain positive but increasingly constrained by the weakening permit pipeline. As a result, supply-side pressures are likely to persist, with continued upward pressure on prices and reduced elasticity of housing supply, particularly in urban markets. The outlook for the Greek real estate market remains cautiously positive in the near term. Subject to a rapid de-escalation of the conflict in the Middle East, stabilisation of global economic conditions, and the continuation of positive growth dynamics in the Greek economy, activity in the property market is expected to be sustained, albeit at a more moderate pace compared with previous years. At the same time, investment interest is expected to shift increasingly towards asset quality, with greater emphasis on construction standards, improvements in the energy efficiency of buildings, and the selection of properties located in areas with strong accessibility to infrastructure and transport networks.

3. Non-residential construction & Civil engineering

In 2025, non-residential construction benefits from the strong expansion of total construction gross fixed capital formation, which increases to EUR 15.12 billion in constant prices (+13.8%). This reflects sustained investment momentum across infrastructure, commercial and tourism-related construction segments. Although sectoral breakdowns are limited, available evidence indicates strong activity in transport infrastructure, energy systems, logistics facilities and tourism-linked assets. These segments are strongly supported by EU funding, including the Recovery and Resilience Facility (RRF), which continues to play a stabilising role in investment flows.

The interpretation is that non-residential construction functions as a structurally stable component of overall construction activity, with lower sensitivity to cyclical fluctuations and higher dependence on multiannual public investment frameworks. For 2026, continued absorption of EU funds is expected to sustain positive growth, even if private construction moderates.

Civil engineering remains a key stabilising pillar of construction activity in 2025. Its role is embedded in the strong expansion of total investment and reinforced by public infrastructure programmes. The sector is characterised by low cyclicality and high dependence on policy-driven investment cycles. Unlike residential construction, civil engineering is determined primarily by multiannual planning frameworks and EU co-financing mechanisms, resulting in higher predictability and lower volatility.

The sector also generates strong spillover effects through productivity gains, reduced transport costs and improved network efficiency, thereby enhancing aggregate economic performance beyond construction output. However, leading indicators show some moderation in momentum. The construction production index rises by 2.5% in 2025, compared to 19.9% in 2024, while business expectations increase to 8.6, indicating continued expansion but at a slower pace. Project schedules are expected to be affected, due to disruptions in supply chain of key materials like steel and aluminum. Moreover, the large scale infrastructure projects are expected to remain in progress, but with additional funding buffers requirements.

4. Prices of construction materials

In 2025, construction material prices show a transition from high inflation volatility to a more stable but structurally elevated cost environment. Index levels remain above the 2023 base (Q1 = 100), with steel at approximately 104, cement at 112, bitumen at 113 and wood at 114.

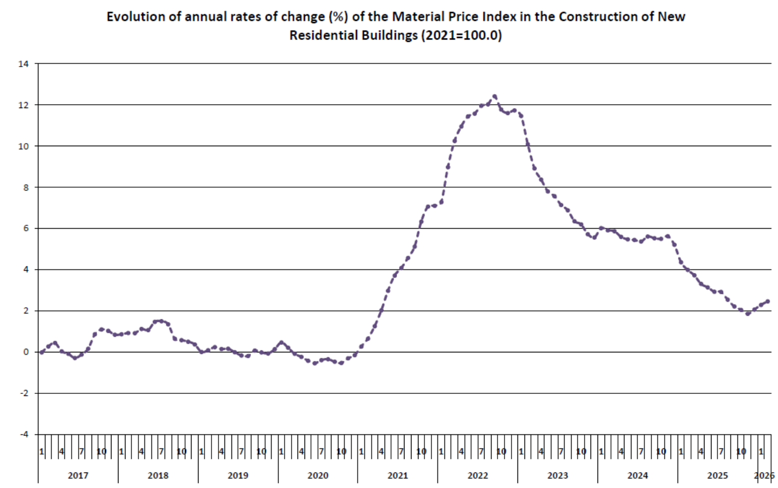
Although the pace of increase has moderated compared to the 2021–2023 inflationary period, the key structural feature is the persistence of elevated price levels relative to the base year. This indicates that the sector is not experiencing full price normalization, but rather a re-pricing at a higher equilibrium level.

The implication is twofold. First, nominal construction investment is mechanically supported by higher input costs. Second, real margins are compressed, particularly for smaller contractors and fixed-price contractual arrangements, increasing sensitivity to cost overruns and procurement efficiency.

The main changes in the individual price indices of the material categories are as follows:

Material categories	Rates of change (%)
Cupreous Pipes	7.0
Aluminium door and window frames	4.3
Plastic tubes	4.1
Bricks	4.0
Cupboards	3.9
Ready-mixed concrete	3.7
Panels	3.6
Solar Heaters	3.2
Electric energy	3.0
Plastic pipes	2.8
Floor and wall tiles generally	2.6
Emulsion paints	2.5
Cement	2.2
Marble slabs	2.1

However, according to Hellenic Statistical Authority (ELSTAT) the Overall Material Price Index in the Construction (CSTM) of New Residential Buildings with base year 2021=100.0 in February 2026 recorded an increase of 2.5% in comparison with February 2025. The corresponding index in February 2025 had recorded an increase of 4.0% compared with February 2024. The graph on the side shows that while in 2021 and 2022 the prices where escalating, during the years 2023-2024-2025 the increase of the prices somehow deescalated.



For 2026, structural elevation of costs, along with the energy and shipping logistics rise of costs due to the ongoing war in the Middle East, will continue to constrain affordability in housing and reduce elasticity in project initiation.

5. Construction activity

In 2025, construction activity is characterised not only by strong growth but also by increasing internal differentiation within the sector. The rise in business registrations to 9,568 indicates strong entry and confidence in market opportunities. However, the simultaneous increase in bankruptcies to 43 reveals that not all firms are able to operate successfully under current conditions.

This dual trend reflects a transition towards a more competitive and selective market structure. Growth creates opportunities, but it also raises the threshold for efficiency, financial resilience and access to skilled labour. Firms that can manage costs, secure labour and access financing benefit disproportionately, while weaker firms face increasing pressure. Labour shortages further amplify this differentiation, as they increase operational costs and limit scalability. This creates a structural constraint that affects not only growth but also the distribution of growth within the sector.

For 2026, construction activity is expected to remain positive, but the key development will be qualitative rather than purely quantitative. The sector is likely to become more concentrated, with stronger firms consolidating their position. Growth will continue, but under tighter conditions, where efficiency, scale and adaptability become decisive factors.

Table a: Number of building permits in residential construction (collective dwellings and other types of buildings: in number of flats)

	2022	2023	2024	2025(a)	2026(b)
single dwelling	3.901	3.992	4.272	4.091	
collective dwelling*	4.270	5.545	7.327	5.699	
other types of dwelling**	0	0	0	0	
total	8.171	9.537	11.599	9.790	

Table b: Evolution of prices for construction materials

Price index 2023 Q1 = 100												
	2023				2024				2025(a)			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Steel	100	101	101	102	103	105	106	105	104	104	104	104
Cement	100	102	103	105	106	108	108	109	110	111	111	112
Bitumen	100	102	103	104	106	108	109	110	111	110	111	113
Wood	100	102	103	104	108	109	110	112	112	113	113	114

**Data being extracted by National Statistical Authority of Greece (ELSTAT) as well as the Bank of Greece Governor's Annual Report*